

American Recovery and Reinvestment Act of 2009 (ARRA) – Health information Technology for Economic and Clinical Health (HITECH) Act

Title XIII – Health Information Technology (HIT)

Title IV – Medicare and Medicaid HIT Incentives

The Health information Technology for Economic and Clinical Health (HITECH) Act, a component of the vast federal stimulus legislation known as the American Recovery and Reinvestment Act of 2009 (ARRA), authorizes roughly \$36 billion in outlays over six years for health information technology – an unprecedented investment in the nation's health information infrastructure. Its success will be measured in part by how well it is implemented and the impact it has on improving the quality, safety and efficiency of health care to Nevadans.

Although HIT alone will not transform health care, it does have the potential to stimulate changes that will enhance the quality and safety of health services, stabilize or decrease their cost, reduce waste and inefficiency, increase transparency, and transform the health care enterprise into a learning organization with the capacity to self-correct and improve.

This proposal is intended to provide a brief overview of how the State may position itself to take full advantage of ARRA funds for Nevada.

ARRA Funding Opportunities – Clinical Education

- Grant opportunities to:
 - Integrate certified HIT technology in the clinical education of health professionals to reduce medical errors, increase access to prevention, reduce chronic diseases and enhance health care quality.
 - Establish or expand medical health informatics education programs, including certification, undergraduate and masters degree programs for health care and information technology students.

ARRA Funding Opportunities – Medicaid* Payments to Providers

- Beginning in 2011, qualifying Medicaid providers are eligible for incentive payments for adoption and meaningful use of healthcare IT.
 - **Qualifying Providers**
 - Reimbursement of up to 85% of HIT implementation. Training & maintenance costs for up to five years (Not to exceed \$25,000 in the first year and \$10,000 in subsequent years).
 - **Qualifying Hospitals**
 - Payments beginning at \$2 million + (based on Medicaid patient load) and reducing each year thereafter for up to four years.

*Medicare providers may also receive payments under other sections of ARRA, hospitals may receive payments both from Medicare and Medicaid.

Who Qualifies?

- **Medicaid Providers**

- Physicians
- Dentists
- Certified Nurse Mid-wives
- Physicians Assistants in rural Health clinics or FQHC's
- And are:
 - Not hospital-based with at least 30% patient volume attributable to Medicaid recipients.
 - Non-hospital based pediatricians with at least 20% patient volume attributable to Medicaid recipients; and
 - Practice predominantly in FQHC's or rural health clinics attributable to needy individuals.

- **Hospitals**

- Children's hospitals
- Acute-care hospitals with at least 10% patient volume attributable to Medicaid recipients.

What is “Meaningful Use?”

- Ability to Demonstrate that EHR technology is being used in a meaningful way.
- EHR technology is connected to an electronic exchange (HIE) in a manner such to improve quality of health care.
- Reporting on clinical measures is performed and is done using EHR technology.

HIE Technology

- **Problem**

Currently, Nevada has no plans to implement HIE technology during the timeframe in which ARRA funds are available. With no available HIE, providers may not be able to accomplish meaningful use, thereby putting their grant funds at risk.

- **Strategy**

DHCFP intends to incorporate HIE requirements into its upcoming MMIS Takeover procurement that will incorporate Medicaid recipient data. This system will be expandable to include other data (e.g., State and local government agencies, and providers other than Medicaid and Medicare

Funding

- **Problem**
 - Nevada has no existing framework in which to obtain matching funding required by ARRA.
- **Solution**
 - Hire consultant to consolidate needs and develop funding resources.